



Increase in half-year results

IFRS – To 30 June (€ millions)	HY1 2013*	HY1 2012**	% change
Sales	112.9	109.9	+2.7%
Profit from recurring operations <i>as % of sales</i>	10.5 9.3%	7.9 7.2%	+32.6%
Operating profit <i>as % of sales</i>	10.5 9.3%	9.4 8.6%	+11.8%
Net profit <i>as % of sales</i>	6.9 6.1%	6.3 5.7%	+9.6%
Net profit – Group share <i>as % of sales</i>	6.5 5.7%	6.0 5.5%	+7.8%

* HY1 2013 figure includes the proportional consolidation under IFRS of the 50% owned subsidiary Raydiall, for € 2.5 million, compared to a 100% consolidation of this subsidiary's external sales in HY1 2012, for € 4.2 million.

** HY1 2012 data above has been restated for the impact of revised IAS 19 "Employee benefits", applicable from January, 1st 2013.

Sales growth of 2.7%

Radiall reports sales of € 112.9 million for the first half of 2013, an increase of 2.7% compared to the first half of 2012. On a like-for-like basis, growth reached 5.9%.

Growth for the first six months was primarily driven by the Civil Aeronautics sector and by a Telecom business experiencing significant recovery, whilst the Space and Military markets were less buoyant.

33% increase in profitability from recurring operations

Profit from recurring operations totalled € 10.5 million, i.e. 9.3% of sales, an increase of 33% compared to the first six months of 2012. Several factors enabled Radiall to achieve this level of performance: sales growth, driven by Civil Aeronautics in particular, an improvement in its product and market mix, a rise in its sales of licences and services and a better operational performance.

Significant increase in operating profit and net profit

Despite the absence of non-recurring income during the first half of 2013, operating profit of € 10.5 million increased 11.8% compared to the first half of 2012, which had benefited from a non-recurring profit of € 1.5 million.

The Group share of net profit for the first half of the year was € 6.5 million, i.e. 5.7% of sales against € 6.0 million for the first half of 2012 (5.5%). Its growth primarily resulted from the significant improvement in profit from recurring operations, despite a higher level of taxation and other financial income and expenses than in the first half of 2012.

Balance sheet position and cash and cash equivalents

At 30 June 2013, the Group had a very sound balance sheet with equity of € 142.0 million and cash and cash equivalents of € 42.1 million.

The self-financing capacity of € 15.0 million, which grew 21% (€ 12.4 million for the first half of 2012), absorbed the change in working capital requirements (-€ 7.8 million) and a large part of other cash outflow for investments and financing activities.

In order to prepare future product ranges and put into place new industrial capacities, the cash outflow for investment activities of € 5.8 million (5.1% of sales), was higher than the € 3.1 million disbursed during the first half of 2012 for the same investment activities.

Taking these developments into account, the cash used during the half year was € 2.8 million and the net cash position was a positive € 27.6 million at the end of June 2013, against € 30.5 million at the end of December 2012 and € 14.9 million at the end of June 2012.

2013 outlook

The favourable business trend noted over the first half of the year, due in particular to an especially buoyant Aeronautics market and a recovery in the Telecoms market, enables Radiall to enter the second half of the year under satisfactory conditions.

Against this backdrop, Radiall remains confident of moderate growth in 2013 and during the second half year aims to achieve operational profitability at least equal to that of the first half of 2013.

On October, 1st 2013, the Group will deploy a first complete installation of its new SAP ERP system at its US subsidiary. The conditions for this rollout have undergone all the appropriate steps to limit the associated risks.

This outlook remains subject to a continuation of the current economic environment, which is still fragile, and in particular to a foreign exchange and raw materials price environment similar to that encountered during the first half year.

Shareholders' agenda:

- 2013 Half-Year Financial Report: **September, 17th 2013.**

About Radiall

Radiall designs, develops and manufactures electronic components dedicated to wireless communication, automotive telematics and military and aeronautics equipment applications. ISIN code: FR0000050320 – Eurolist B – NYSE Euronext.

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